

Edmonton Chapter #102, 13025 – St. Albert Trail Edmonton, Alberta T5L 5G2

edmonton Editors: Tracey Stawnichy / Neil Cochrane

(780) 428-4000 / (780) 691-6713 tstawnichy@ibigroup.com / Ncochr Construction Specifications Canada is an organization representing diverse interests in the construction industry and related professions. It is dedicated to improving the quality and flow of information between these interests, whether in the form of specifications, contract administration or marketing.

2012



The year-end brings no greater pleasure than the opportunity to express to you season's greetings and good wishes. May your holidays and new year be filled with joy

From your CSC Edmonton Executive Committee

# **CSC Conference 2013**



Date: May 22 - 26, 2013

Location: Hyatt Regency, Calgary, Alberta

**Additional** 

Information: http://csc-dcc.ca/Conferences/

# Specifier specifier

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#### It's that time of year again!

VISIT YOUR WEBSITE AT

http://edmonton.csc-dcc.ca/

Help us develop a website that meets
your needs. Log into the "Want More
Info" link online and let us know.

The 2013 CSC membership renewal notices were mailed recently to all members. For your convenience, we are pleased to offer the option of paying your 2013 membership dues on-line. Just go to <a href="https://csc-dcc.ca/billing.php">https://csc-dcc.ca/billing.php</a> to access the on-line payment option from the homepage. It's easy, fast & efficient.

Association Liaisons ...... 12

If you do renew your membership on-line and you have a CSC designation, please forward the CSC Registration and Certification Renewal forms by mail or by email to bjnoble@csc-dcc.ca. Your membership will not be considered renewed until these forms are received along with your payment.

If you have any questions please don't hesitate to contact the Association office at 416-777-2198 or info@csc-dcc.ca.

Your continued interest, support and participation within CSC is appreciated.

## **Edmonton Chapter Executive**

Elected Members		
Chairman	Darlene Helfrich	780 417-3757
Director	Cam Munro	780 395-3335
Vice-Chairman	Skip Helfrich	780 466-3101
Secretary	Richard Lucid	780 485-7612
Treasurer	Shaune Smith	780 482-4813

#### **Officers**

Architect	Linda Olson-Lipinski	780 497-3975
Association Liaison	Jozef Urban	780 408-7149
BIM & Sustainability	David Watson	780 758-4147
Education	Mike Ewaskiw	780 237-7844
Engineer	(Position Available)	[000-0000]
General Contractor	(Position Available)	[000-0000]
Interior Design	(Position Available)	[000-0000]
Manufacturer/Supplier	Mike Lafontaine	780 447-2122
Marketing, Promotion and Infonet	Kevin Osborne	780 441-4258
Membership	Donna DeVloo	780 984-5612
Newsletter	Tracey Stawnichy	780 994-3699
	Neil Cochrane	780 691-6713
Program	Steve Londry	780 429-1580
Specifications	David Watson	780 758-4147
Web Site Administrator	David Watson	780 758-4147
Trade Contractor	Frank Dudley	780 803-2658
Landscape	Rachel Curry	780 901-5353
At Large	See Executive Listing	Pg. 13 - 14

### **Advertising Rates**

#### **SPECIFIER**

Footer Business Card: \$50/issue Business Card: \$50/yr, random location Full Page: \$500 All Issues; \$100 per issue ½ Page \$250 All Issues; \$50 per issue 1/4 Page \$125 All Issues; \$25 per issue

#### WEBSITE

Rates covers your ad on our website 24 hours per day, 7 days per week. Business card on-line: Annual \$100

Add \$50 to have a link to your company Web Site from the CSC Edmonton Chapter web page.

### Chapter Sponsor

Includes Business Card On-Line, 2 Tickets to 6 Dinner Meetings Annual \$400 if received by May 1; \$300 if received by August 1; \$200 if received by November 1; \$100 if received by February 1

#### Student Sponsor

CSC Student Sponsorship Pays for 1 ticket to 6 Dinner Meetings for a NAIT or University Student. Annual \$175

### Meeting Sponsor

\$50 for Individual (Personal) Sponsor \$100 for Corporate Sponsor

#### FOR FURTHER INFORMATION

Contact any member of the Executive Committee, attend one of our chapter meetings or send your name and address to CSC Edmonton Chapter c/o #102, 13025 – St. Albert Trail, Edmonton, Alberta T5I 5G2.

#### **GOALS OF CSC**

Construction Specifications Canada is a multi-disciplinary non-profit association dedicated to the improvement of communication, contract documentation, and technical information in the Construction Industry. CSC is a National association with chapters in most major Canadian cities.

To this end, CSC pursues the study of systems and procedures that will improve the coordination and dissemination of information relevant to the construction process.

We seek to enhance the quality of the design and management aspects of the construction activity through programs of publication, education and professional development, believing that by so doing, we can contribute best to the efficiency and effectiveness of the construction industry as a whole.

#### **OBJECTIVES OF CSC**

To foster the interest of those who are engaged in or who are affected by the compilation, or use any form of specifications for the construction industry.

To publish literature pertaining to the construction industry.

To engage in activities to improve procedures and techniques related to the construction industry.

The opinions and comments expressed by the authors do not necessarily reflect the official views of Construction Specifications Canada. Also, appearance of advertisements and new product or service information does not constitute an endorsement of those featured products or services.

#### **ABOUT CSC**

#### Our Mission

CSC (Construction Specifications Canada) is a national multi-disciplinary, non-profit association with chapters across Canada. CSC is committed to ongoing development and delivery of quality education programs, publications and services for the betterment of the construction community.

To this end, CSC pursues the study of systems and procedures which will improve the coordination and dissemination of documentation relevant to the construction process.

CSC seeks to enhance the quality of the design and management aspects of construction activity through programs of publication, education, professional development, and certification, believing that in so doing it can best contribute to the efficiency and effectiveness of the industry as a whole.

#### Our Vision

That Construction Specifications Canada is the construction community's first choice for quality documentation, education and networking.

#### Our Values & Core Beliefs

Quality, Professionalism, Teamwork, Integrity, Openness, & Innovation.

## Objectives

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To engage in activities to improve procedures and techniques related to the construction industry.

#### MEMBERSHIP IN CSC

In the construction industry's fast-paced environment, the need for and value of Construction Specifications Canada is greater than ever. CSC brings together individuals from all segments of the construction industry. All who have a vested interest in Canada's largest industry are invited to join CSC. When you join CSC you become part of the only association that brings together professionals from all aspects of the construction industry.

#### **DESIGN TEAM**

CSC offers members of the Design Team the opportunity to meet with other members and exchange information. It also affords you the chance to help improve technology and its management, and the means to improve ways in which your ideals are translated into clear, concise and complete documentation.

#### **BUILDING TEAM**

If you are a member of the Building Team, Construction Specifications Canada offers you the opportunity to become involved in formulating specifications. Your valuable input into the programs can help generate time and cost savings as well as improve performance.

#### **SUPPLY TEAM**

The multi-disciplinary composition of CSC allows members of the Supply Team to meet with other members of the construction team. CSC programs in data filing and information retrieval are geared to present convenient and concise information on your products for proper evaluation and specification.

#### THE STUDENT

If you are a student of architecture, engineering or construction technology, CSC will provide you with greater exposure to and a better understanding of the Construction Industry, giving you an excellent opportunity if you plan a career in the construction field.

Contact Donna DeVloo for membership information.

#### Officer Membership



Donna DeVloo P: 780-984-5612 E:ddevloo@bibliotecainc.com





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#### CSC FACEBOOK

Visit CSC on Facebook. Visit:http://www.facebook.com/pages/CSC-Construction-Specifications-Canada

### Chair's Message:

**Darlene Helfrich** 



Aloha from Kauai!

Being in the US during the election has been a real eye opener! Our Alberta economy is not something we should take for granted. Construction here in Hawaii is very limited on the two small islands we have visited. Residential is the only type we have witnessed, surprisingly stick built. These beautiful islands rely heavily on tourists to survive, not something we in Edmonton can easily comprehend. Our November meeting on (fill in please Steve with topic, date and time) looks to be interesting and I hope to see you all there. Aloha and Mahalo!

Darlene Helfrich, IDT, CTR Chapter Chair darlenehelfrich@gmail.com

# MESSAGE FROM THE PRESIDENT

Claude Giguère, P.Eng., LEED AP
Is BIM the future of the construction industry?

Building information modeling (BIM) may well be the hottest topic in today's construction industry, but it has been a long time coming. In 1967, R.P.G. Pennington, then-president of Specification Writers Association of Canada (SWAC) CSC in the early days said, "We are

presently preparing a basic format which will reduce the number of, and perhaps finally eliminate, drawings altogether. I believe that, in the future, all tender documents will be a little pile of punched cards, which will include specs, product selections and alternatives. quantities, and the equivalent of all drawings." Mr. Pennington had an amazing vision of the future. In fact, if you replace the words "little pile of punched cards" with "computer model," you end up with a good defi nition of BIM for the detail design process. Obviously, BIM has extended its arms to the calculations the entire lifecycle of a construction, including 4-D (scheduling), 5-D (estimating), 6-D (lifecycle management), 7-D (environment), and so on. There will be a time where all the information in the model will be updated in real-time through these sophisticated automation systems. Designers will be able to see on their computers who is in a room, the room temperature, airflows, etc., on the 3-D model. They will also see the doors opening and closing as people go through. The entire building life will be witnessed as a virtual environment. During construction, everyone will work onsite with tablets no more drawings, no more project manuals! Whether an iPad or Android-driven, these tools are here to stay; their use will be growing exponentially. Over the next five years, there will be more progress than what we saw in the last 45. It will provoke major changes in our life; the construction documents will not be the same. Presently, I am involved in BIM implementation at work. I can appreciate the power of this tool, even if it is not yet 100 percent perfect. I can see the interest growing in technicians and engineers they draw a pipe instead of a line, a pump instead of a symbol. The networks are all connected and they will get the water fl owing in the pipe to perform the calculations and integrate this information in the model. CSC is actively involved in building information modeling through the Institute for BIM in Canada (IBC). This association was founded two years ago to lead and facilitate coordinated use of BIM in the design, construction, and management our built environment. IBC serves as the Canadian chapter of buildingSmart International the world's leader in standardization and interoperability. IBC is presently working on contractual language, a practice manual, and the creation of a Canadian BIM User Group. IBC is seeking people interested to participate in this initiative. Please contact me directly, or the association office, if you are interested in becoming part of the building of this virtual environment. BIM is the future of the construction industry from the first stage of a project throughout the lifecycle of the construction. Please share the experience.





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I am CSC.

#### I AM CSC

Tracey Stawnichy - Officer Newsletter (Co-Chair)



#### **Present Industry Position:**

Construction Administrator Company: IBI Group

#### Why I Joined CSC:

Initially I joined CSC because it was a job requirement. I think quite a few CSC members would be able to say the same thing; but I soon found out the many benefits of being a member. I was interested in becoming a Specification Writer, so the first step was to join the CSC and take the PCD course. But that hamburger spec we had to write! I soon changed my mind about spec writing, and signed up for the CCA course. At last, my niche. Joining CSC has been instrumental in helping me expand my knowledge base; it led me to want to continue learning and that led to taking the Construction Administration Program at the UofA Extension Center, which opened some new doors related to my career and professional development.

#### **CSC Experience**

I don't have much CSC experience beyond a few breakfast meetings, one AGM, and a couple InfoNets. I hope being on the Executive Committee will remedy that.

#### What CSC has Done for Me:

CSC has give me more confidence and credibility (I hope) to perform my job duties. It has provided me with the tools I need to challenge myself daily. It has subliminally encouraged me to step outside of my comfort zone. And now I'm a part of the Executive Committee!

#### **Industry Experience**

Construction Administration under Peter Semchuk at IBI Group

- LEED AP
- Graduated from the UofA Construction Administration Program

#### **Contact Email:**

tstawnichy@ibigroup.com

#### **CSC EDUCATION**

#### Officer Education



Mike Ewaskiw, CTR Project Development StonCor Group P: 780.237.7844

E: mewaskiw@stoncor.com

#### **Principles of Construction Documentation**

The PCD course is an introductory course that will enable the student to have a better understanding of construction documentation (specifications, drawings and schedules), products, bidding procedures and contracts. It is also a prerequisite to all the other CSC education courses.

#### Specifier 1

The Specifier 1 course is an intermediate level course that will take the individual beyond the concepts previously introduced in the PCD Course. Although some of the same topics are included in this course, the depth of comprehension and explanation exceed that of the PCD course. The Specifier 1 course is a prerequisite Certified Specification Practitioner for the (CSP) designation from CSC. Successful completion of the course may be credited toward the experience Registered component requirements for the Specification Writer (RSW) designation.

#### **Technical Representative**

The TR course will provide a better understanding of contract documents and bidding procedures, product representation, professionalism, and ethics, and will provide a new depth of understanding and explanation of concepts beyond what was previously introduced in the PCD course. The course is designed for the individual involved in the supply section of the construction industry such as manufacturer representatives, agents or distributors of products. The student will have successfully completed the PCD course.

Contact Mike for all of your educations needs.





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#### **EDUCATION COURSES**

# Upcoming Classes: Starting January 14, 2013:

- <u>Principals of Construction Documentation (PCD)</u>
   Location: ONPA (TBD)
- Specifier 1
- Specifier 2 (Fall, 2013).
- <u>Construction Contract Administration (CCA)</u> (April, 2013)
  - Location: IBI Group
- TR (Technical Representative)

Cost: \$500.00 for members and \$600.00 for non-members.

### **Upcoming Classes Online:**

<u>Principles of Construction Documentation</u> - Course starts January 14, 2013.

Specifier 1 - Course starts January 14, 2013

<u>Technical Representative</u> - Course starts January 14, 2013.

# Complete the Specifier 2 or CCA Course in just 5 days!

**Delta Chelsea Hotel, Toronto** 

March 18 - 22, 2012

Contact Clafton Fiola for waitlist or additional information clafton@csc-dcc.ca

#### **CSC COURSE MAINTENANCE**

After years of considering how to maintain its educational courses and with this initiative as a catalyst,

CSC is pleased to announce that it has introduced a defined process for review and update of all educational course material. Recognizing both the importance and the urgency, the CSC Board of Directors has established the Education Maintenance Task Team (EMTT). The inaugural volunteer members of the EMTT are Mitch Brooks, FCSC; Brian Colgan, FCSC, RSW; Tom Dunbar FCSC, RSW (Committee - Chair) and David Wilson FCSC, RSW. An ongoing committee; these members will serve a 3 year term (of which 2 in this group will serve up to 4 to prevent total committee replacement in the same year) providing both consistency as well as strong foundation of knowledge and experience for us to draw upon. The EMTT has been tasked with making the course material more consistent, bringing all of the courses up to the same standard, ensuring consistency of language and terminology, and establishing a regular review, update and maintenance regime.

#### PEOPLE AND PLACES

#### Fresh Faces (New Members)

None.

#### Yes, We've Moved (Contact/Mailing Address Update)

#### Ms. Carri Fjell, Arch.Tech.

Contract Administrator IBI Group Suite 300 – 10830 Jasper Avenue Edmonton, Alberta T5J 2B3

Tel: 780-428-4000 Fax: 780-426-3256

Email: carri.fjell@ibigroup.com

#### Mr. Dale A. Wilson, CCCA, C.Tech.

Senior Contract Administrator
Kasian Architecture Interior Design and Planning Ltd.
10150 Jasper Avenue, Suite 251, Commerce Place





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Edmonton, Alberta T5J 1W4

Tel: 780-969-8894 Fax: 780-990-0809

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Classification: INDCA Website: www.kasian.com

#### **Gone, but Not Forgotten (Membership Expiration)**

None.

#### INDUSTRY NEWS AND EVENTS

#### Dates To Remember

#### November 7, 2012

14<sup>th</sup> Annual Canadian Private Equity Summit Toronto, ON

#### November 13, 2012

Lunch & Learn - Health + Energy + Material – Designing a new prototype for interiors From 11:30 AM to 1:00 PM Calgary, AB

#### **November 27 - 28**

BIM Symposium Edmonton, AB

#### November 27-28, 2012

13th Annual ALBERTA POWER SUMMIT Calgary, AB

#### **December 6, 2012**

Better Buildings Breakfast - Edmonton North LRT Expansion From 7:30 AM to 9:00 AM Edmonton, AB

#### **December 6, 2012**

AAA Holiday Social Leva Cafe, Edmonton, AB

#### January 07 - 11, 2013

Building Innovation 2013 - National Institute of Building Sciences Conference & Expo Washington Marriott at Metro Center - Washington, DC

#### January 8 - 9, 2013

**FEDCon** 

Washington, DC

#### February 5 - 6, 2013

Canadian Oil Sands Summit 2013 Calgary, AB

#### February 21, 2013

CanBIM Regional Session Hotel Arts 119-12th Avenue SW - Calgary, AB

#### April 19, 2013

AAA AGM and Member Forum Shaw Conference Centre, Edmonton, AB

#### May 7, 2013

16th Annual Alberta Sustainable Building Symposium Edmonton, AB

#### May 15 - 16, 2013

21st Provincial Skills Canada Competition Edmonton Expo Centre, Edmonton, AB

#### May 22 - 26, 2013

CSC Conference Calgary, AB

#### June 12 - 16, 2013

Save The Date! CSI West by Northwest Region Conference Spokane, WA

#### Architect - What's in a Title?



By David Stutzman on November 5, 2012 8:07 AM (Sourced from http://www.conspectusinc.com/blog/2012/11/architect---whats-in-a-

Several discussions about architectural licensing and use of the term "Architect" started recently on blog posts (See Liz O'Sullivan's blog) and on the LinkedIn AIA group. The Philadelphia Young Architects Group announced plans to explore "Why get licensed?" through a panel discussion meeting. Why are architects consumed by the importance of the title?

I am reading these posts with a somewhat detached interest. Why? I have never been concerned about titles or the initials after one's name. I am an architect and AIA member, but I practice as a specifier. I have no desire to





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be a designer. I will leave that to architects that are much more creative than me. I want to focus on using appropriate products in the right application to produce durable buildings that don't leak. I want to help ensure architects' success by helping guide them to the best material selections for every project.

Architects are passionate about their title, at least the ones involved in the discussions. Architects want to own the "architect" title, exclusively. There seems to be a disdain for anyone using the title that is not a registered (licensed) architect engaged in building design. There is a protectionist attitude that the state licensing boards should regulate use of the title and its derivatives to ensure the public does not confuse a "designer" of any type with an architect.

This attitude seems strongest when discussing residential design. Single-family homes are not required by licensing laws in every state to be designed by architects. Some contractors and designers purport to offer architectural design services for these residential projects where architects are not required by law. Because the vast majority of architects work in small (less than 10 man) firms often competing for residential design work, this title protection issue affects the majority of the profession.

I am beginning to wonder if this whole discussion has a much deeper root than it appears. Might this be a self esteem issue? I recall when I first passed my licensing exam. When I was able to tell folks I was an Architect, there was a bit of awe and respect. I remember the results of a survey at that time showing the public held architects in very high esteem, above nearly every other professional. That was almost 40 years ago, and times have changed.

Today most professionals in the workforce are college graduates, often with multiple or advanced degrees. Attending college, today, is nearly as fundamental as graduating high school used to be. As a result, architecture, as a profession, does not stand out from the many others. (Disclaimer: some architects older than me may have become licensed without a college degree, but that has not been an option since the late 1970s.)

I suspect the majority of the public will never hire or work directly with an architect. Yet, architects affect everyone's daily life, directly, through their designs. The public relies on architects' designs for shelter, commerce, inspiration, and delight. So it seems an

architect's public influence and perception should remain high, despite how the title is used.

I believe controlling the "Architect" title is futile and petty. The title endowed by a certificate displayed on the office wall only entitles a legal position to assume a public responsibility. What is done with that responsibility is what matters.

The time consumed policing the title could be spent so much better. Take a positive stance. Promote the positive effect the profession has on society and elevate the public perception not just of architects but of the entire team contributing to built designs. Enjoin the team - the engineers, designers, specifiers, contractors, craftsmen, and owners - to reciprocate, jointly promoting the influence the entire team makes to society.

Titles become meaningful and bring high regard only in context of what is done - what has been earned - with the privilege of the title.

#### LEGAL MATTERS



Bill Preston

#### PRACTICE AREAS

Over four decades, Bill has built a solid reputation as a skilled litigator and has amassed countless successful files in corporate-commercial law, with particular expertise in transportation law, construction law, matters of professional design, and business dispute resolution. In 2007 Bill was recognized by the National Post as one of the top construction law lawyers in Canada.

#### Bill D Preston Q.C.

Direct: (306) 933-1388 Main: (306) 652-7575 Fax: (306) 652-2445 Suite 600 105 21st Street East, Saskatoon, Saskatchewan S7K 0B3

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# SUBCONTRACT DROP-DOWN AND STEP-OVER CLAUSES

October 30, 2012 By Bill Preston

(Sourced from http://www.rslaw.com/resources/articles-and-research/2012/10/subcontract-drop-down-and-step-over-clauses/)

Do you know the risks which these clauses transfer to subcontractors? If not, you're in the majority. My years of experience have seldom found a contractor who adjusted their pricing of the Subcontract Work to include a margin for these risks. So, I thought I would report a couple of recent cases from Alberta and Ontario to warn you that these clauses can come back to bite a subcontractor very hard.

#### **DROP-DOWN CLAUSES**

What do they usually look like? Here's one:

15. The subcontractor shall supply all the labour, supervision, material, tools, and equipment necessary to construct, install and complete the following portion...

all... in accordance with the requirements and on the terms and conditions of both the Prime Contract (including, without limitation,...general and/or special conditions...

In the Alberta case of Online Constructors Ltd. v. Speers Construction Inc. this was the very term which became the eye of the storm in Court. For many years Priddis Greens Golf Club, just outside of Calgary, had depended upon an earthened dam for its water source. But, in 2005 the dam substantially failed so the Club engage AMEC to design a repair of the earthen works and a concrete spillway. AMEC thus eventually included in the Bid Documents of a Unit Price Contract a seldom used payment term:

The Owner to pay only for the volume of concrete as measure and required by the drawings and specifications ("neat line volume").

Speers could do the earthworks with its own forces and equipment, but it needed a concrete trade as a subcontractor to do the spillway. It thus sent Online the drawings and spec's because Online had worked well with them on an earlier project. Online did have the requisite knowledge to phone Speers to ask what was in

the Prime Contract, but Speers wasn't much help. It simply faxed back that it seemed to have "all the Standard Terms, but you should at least see it before you tender a price."

Online didn't see the Prime Contract terms; rather, it simply bid a unit price of \$711.13 per m3 on the premises that the measure for concrete was actual volume poured. Speers won the project and Online, still being unaware of the neat-line measure in the Prime Contract, drafted, signed, and sent to Speers the Alberta Standard Construction Subcontract form containing the above drop-down clause. At trial, a construction expert on behalf of Speers testified that Online's decisions in this regard were careless and non-compliant with usual industry standards. My reading of what I have learned over the years is that most subcontractors are thus careless!

Unfortunately for Online, the earthwork elevations levels left by Speers required a lot more concrete than AMEC's design contemplated, and it was not until near the end of the concrete pour that Online learned that it wasn't going to be paid in full for all of this concrete because of the neat line volume cap. Online's response was to abandon the balance of its contract work and eventually Speers and Online ended up in Court, with Online claiming that it was entitled to the actual concrete poured, while Speers relied upon the drop-down clause and counterclaimed for its costs of completing Online's Work.

The trial judge concluded that the drop-down subcontract clause clearly limited Online's contractual price claim to AMEC's neat-line measure. Still, he gave Online the win by ruling that Speer's had breached its duty to disclose the peculiar neat-line payment measure term to Online when it invited Online's bid. It was this latter finding which went to the Alberta Court of Appeal; it reversed the trial judge by rationalizing: Speers warned Online to check the Prime Contract; Online had a right to see the Prime Contract and had no reasonable excuse for choosing not to; And, Online could have drafted the Subcontract without the drop-down clause, but having done so it was bound by the clause.

#### Just a note:

The CCA 1-2008 subcontract form does spec an optional drop-down term which does permit the subcontractor a little more wiggle room than the Alberta Standard Subcontract Term. It reads:





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Article 2A

2.1 The requirements, terms and conditions of the Prime Contract as far as they are applicable to the Subcontract, shall be binding upon ... the Subcontractor ...

This term recently was the eye of the storm in an Ontario case, Central Welding v. Man-Shield, where the Judge concluded that the words "as far as they are applicable" rendered this clause less clear than the Alberta Standard Subcontract form. Thus, Manshield could not force Central Welding to pay the costs of the lien bond to vacate a construction lien as required by Man-Shield's Prime Contract.

#### STEP-OVER CLAUSES

How do these clauses read? Here is a common sample:

2. To the extent that the Contractor is required under the Prime Contract to obtain rights, powers or remedies for the direct benefit of the Owner as against the Subcontractor, the Subcontractor hereby grants such rights, powers and remedies to the Owner. The Subcontractor agrees that ... the Contractor is contracting as agent for the Owner in respect of the granting of such rights, powers and remedies in favour of the Owner...

Subcontractors in the industrial sector, particularly for petrochemical and mining projects, have had them in their contracts many times, but we are now starting to see stop-over clauses creeping beyond the industrial sector. Their principle purpose is to empower an Owner to enforce a Subcontractor to complete its work and warranties even if the General Contractor has failed. But. in this step-over, does the Owner necessarily have to pick-up the failed General's obligations to the Subcontractor, like paying defaulted progress payments and purchasing replacement insurance coverage and bonding? A recent Ontario insurance case, Castonguay Construction (2000) v. Commonwealth Plywood concluded, probably not. This case did not arise because of a step-over clause. Rather, the Prime Contract required the General to purchase a Wrap-up liability policy which would have included coverage for the Subcontractor's Design Consultant. But, the General never read the Prime Contract and never purchased the Wrap-up policy so, what happens when the Subcontractor's Design Consultant is sued? The Court weaseled. It concluded that because the Design Consultant was not a party to the Prime Contract it is

quite possible that the Design Consultant is not able to take advantage of the Prime Contract term. For Subcontractors, this is instructive when considering the risks of a step-over clause: given the clear language in all subcontracts that the subcontractor has no contractual claims against the Owner, if the Owner steps over and enforces the subcontract remedies against the Subcontractor, the Subcontractor can't complain that the General has failed its obligations. A Subcontractor's only hope is that it has terms in the Subcontract and facts on the ground which permitted it to pull its forces.

#### CONCLUSION

Here, as I see it, are the lessons for Subcontractors:

- 1. Before pricing a job, be sure to look at the Prime Contract you're entitled:
- 2. Or, if you must blindly bid/quote a job, be sure to clearly qualify your bid to proscribe drop-down clauses and step-over clauses;
- 3. While, if you must live with these terms in your Subcontract, then price the risk and assure that you can quickly pull your forces if the General defaults Insurance, Bonding and/or Payment obligations.

# NEW SUPPLEMENTARY CONDITIONS FOR USE WITH CCDC CONTRACTS IN ALBERTA

Did you know that the Alberta Builders' Lien Act has some unique characteristics compared to other jurisdictions and that when the standard CCDC forms of contract are used in Alberta they require modification by Supplementary Conditions? The Alberta Construction Association (ACA) has for many years published a standard set of Supplementary Conditions whose purpose is to align CCDC 2 – Stipulated Price Contract with the Act. The ACA recently revised these Supplementary Conditions for improved clarity and has published additional ones for use with the most current editions of the entire suite of CCDC contracts, including CCDC 2, 3, 4, 5b, 14, 17 and 18. These are available for download at no charge from the ACA website www.albertaconstruction.net under the "Documents" tab.





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#### ASSOCIATION LINKS

#### **Important URL Links**

- Alberta Construction Safety Association (ACSA) www.acsa-safety.org
- Architecture 2030 www.architecture2030.org
- BuildingSMART Alliance (North American chapter of BuildingSMART): www.buildingsmartalliance.com
- Building Information Modeling (BIM) Forum www.insightinfo.com/bimforum
- BuildingSMART International (formerly IAI) www.buildingsmart.com
- Biomimicry Institute www.biomimicryinstitute.org
- Biomimicry Guild www.biomimicryguild.com
- Canada BIM Council www.canbim.com
- Canadian Green Building Council (CaGBC): www.cagbc.org
- Canadian Green Building Council (CaGBC) Alberta Chapter: www.cagbc/chapters/alberta
- CCDC Documents: www.ccdc.org/home.html
- Construction Specifications Canada (CSC) www.csc-dcc.ca
- Construction Specifications Institute (CSI) www.csinet.org
- IFD Library www.ifd-library.org
- International Construction Information Society (ICIS)

www.icis.org

MasterFormat 2012
 (Free downloadable PDF on Spex.ca Free page)

 OmniClass www.omniclass.ca www.omniclass.org

 Spex.ca www.spex.ca

 Uniformat: www.csinet.org/uniformat

#### ASSOCIATION LIAISON

Alberta Association of Architects (AAA) <a href="http://www.aaa.ab.ca/">http://www.aaa.ab.ca/</a>

Alberta Painting Contractors Association (APCA) www.apca.ca
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Association of Professional Engineers, Geologists, and Geophysicists of Alberta (APEGGA)
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Alberta Roofing Contractors Association (ARCA) Web: http://www.arcaonline.ca

Email: info@arcaonline.ca

Association of Science and Engineering Technology Professionals of Alberta (ASET) <a href="http://www.aset.ab.ca/">http://www.aset.ab.ca/</a> Russ Medvedev

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American Society of Heating, Refrigerating and Air-Conditioning
Engineers (ASHRAE)
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Building Owners and Managers Association (BOMA) <a href="http://www.bomaedmonton.org/">http://www.bomaedmonton.org/</a> edmonton@boma.ca





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The Canadian Wood Council (CWC) http://www.cwc.ca/ info@cwc.ca

**Edmonton Construction Association** Darlene La Trace www.edmca/.com contact@edmca.com

Portland Cement Association ConcreteTechnology@cement.org

Terrazzo, Tile & Marble Association of Canada (TTMAC) http://www.ttmac.com/ association@ttmac.com

Interior Designers of Alberta www.interiordesignalberta.com

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